

State of California
BOARD OF EQUALIZATION

ALCOHOLIC BEVERAGE TAX REGULATIONS

Regulation 2560. TREATED AS SALES.

Reference: Sections 32003, 32151, 32201, Revenue and Taxation Code.

Samples and donations of alcoholic beverages shall be reported as sales.

Each transfer of samples between licensees authorized to possess alcoholic beverages on which the California state alcoholic beverages taxes have not been paid (manufacturers, manufacturers' agents, distilled spirits wholesalers and rectifiers) shall be on an ex-tax basis, and shall be recorded on an invoice marked: "Samples."

Distilled spirits taxpayers receiving samples from other licensees in California shall record the receipt in SBE Form 241-A. Samples received by direct importation shall be recorded in SBE Form 242.A.

Distilled spirits picked up at the licensed premises of a distilled spirits rectifier or wholesaler by a representative of a manufacturer or of a manufacturer's agent to be used by him for sampling purposes, shall not be considered to be a transfer of samples between the licensees referred to in the second paragraph of this rule. Such deliveries of distilled spirits shall be reported as taxable sales by the rectifier or wholesaler.

History: Effective April 17, 1955.
Amended September 5, 1969.